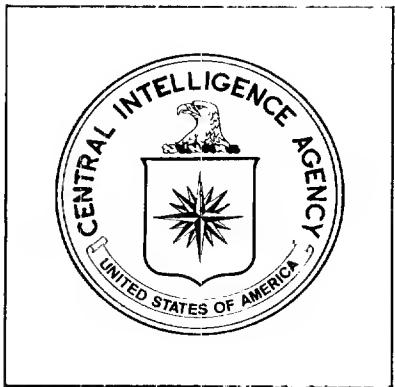


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## STAFF NOTES:

# Soviet Union Eastern Europe

**Secret**

*172*

October 22, 1975

25X1

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

25X1

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

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Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

## **SOVIET UNION - EASTERN EUROPE**

This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

## CONTENTS

October 22, 1975

25X1B

Romanian-Chinese Relations..... 3

25X1D

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

25X1

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

Food Shortages Worry Romania

As Bucharest's concern over popular discontent with food shortages continues to mount, President Ceausescu is laying the blame on bureaucratic shortcomings and inefficiency.

In a speech to party and government officials on October 17, Ceausescu wasted no time in finding scapegoats for the current problem. Bucharest city officials were accused of a "lack of control and guidance" that led to misallocation of food stocks and to "a certain negative psychosis in the ranks of the populace." The Ministry of Agriculture was criticized for failing to fulfill planned production and the Ministry of Light Industry for reducing investments where shortfalls exist. Ceausescu's remarks probably foreshadow a number of personnel changes at the party plenum on economics next month.

Ceausescu had announced substantial increases in the availability of foodstuffs and consumer goods only three days earlier. He has not, however, offered any significant policy changes that could remedy the situation over the longer term. In fact, there has been no indication of any slackening of Ceausescu's determination to proceed with rapid industrialization.

Serious shortages have existed in Romania since the July floods, but the problem apparently became critical only in early October, when hoarding and disgruntlement began to spread. Ceausescu's rare public attention to the problem clearly suggests that popular discontent is real, and diplomatic sources in Bucharest are now giving more weight to consumer problems as a factor in Ceausescu's cancellation of his visit to Yugoslavia last week.

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25X1A

October 22, 1975

-1-

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

25X1

25X1B

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

25X1

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

Romanian-Chinese Relations

An unprecedented number of high-level Romanian delegations has visited Peking since early September in a renewed show of Bucharest's willingness to defy the Soviets.

The exchanges sharply exceed those between Bucharest and Moscow during the same period. A Romanian Central Committee staff member recently said that good relations with Peking are by far Romania's number-one problem with the Kremlin.

The visits took place during a period when Moscow is intensifying its efforts to achieve greater ideological conformity among its Warsaw Pact allies, pushing for closer economic integration within CEMA, and trying hard to convene a European conference of communist and workers parties.

The wily Romanians may look on the upsurge in contacts with the Chinese as a way of creating bargaining chips. They could now cut back on their Peking trips without offending the Chinese, and at the same time convince the Soviets they are being responsive.

Meantime, press coverage of the visits has emphasized the similarity of views between the Romanian and Chinese parties. The Chinese recitations of the common "struggle against imperialism, colonialism and hegemonism" amount to an oblique slap at Soviet efforts to dominate international communism.

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25X1

25X1A

October 22, 1975

- 3 -

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

25X1

25X1D

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

Approved For Release 2002/05/07 : CIA-RDP79T00865A002000140001-5

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